United States Court of Appeals

for the Second Circuit

APPENDIX

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P/S

75-1268

United States Court of Appeals

For the Second Circuit

UNITED STATES OF AMERICA,
Plaintiff-Appellee,

vs.

JACK L. CHESTNUT,
Defendant-Appellant.

APPEAL FROM UNITED STATES DISTRICT COURT
SOUTHERN DISTRICT OF NEW YORK

APPENDIX
Volume II
Pages 116-210

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UNITED STATES COURT OF APPEALS
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UNITED STATES DISTRICT COURT

SOUTHERN DISTRICT OF NEW YORK

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UNITED STATES OF AMERICA, :

-against- : 74 Cr. 1191

JACK L. CHESTNUT, :

Defendant. :

----------x

May 5, 1975
10 a.m.

BEFORE:

HON. EDWARD WEINFELD,

District Judge
and a jury.

APPEARANCES:

PAUL J. CURRAN, ESQ.
United States Attorney for the
Southern District of New York
BY: EUGENE F. BANNIGAN, ESQ.
ROBERT GOLD, ESQ.,
Assistant United States Attorneys

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BY: JOHN A. COCHRANE, ESQ.

-and-

THOMSON WYLDE NORDBY FRIEDBERG, ESQS.
By; DOUGLAS W. THOMSON, ESQ.
JACK S. NORDBY, ESQ.

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(A jury of 12 jurors and 2 alternates was duly impaneled and sworn.)

(In the robing room.)

THE COURT: Before we proceed, I received this motion to dismiss the indictment on the grounds of duplicity or require the Government to elect which count to proceed on.

I have endorsed it "This notice of motion was received by the Court at 9:15 a.m. on the morning of trial, May 5, 1975. Counsel following defendants arraignment, was given to February 4, 1974 to make motions and a series of motions were then made, not including the instant application. It is denied both for timeliness and upon the merits. Signed Edward Weinfeld, United States District Judge, May 5, 1975.

What is the other problem?

MR. THOMSON: We were served last Thursday with a memorandum of law by the prosecutors setting forth certain other alleged conduct against the defendant other than as was charged in the indictment; allegedly to establish the element of wilfulness or intent or mental state.

We received that last Thursday and we had filed a memorandum in opposition to it. The reason we wanted a hearing at this particular time is to have the matter re-

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solved before any opening statements are made to the jury so in case the Court eventually determines that this type of evidence is not admissible, that the jury would not be contaminated from hearing the opening statement.

THE COURT: Do you intend to make any reference to that in opening statements?

It is unusual to make a reference to similar acts and conduct were it goes to the issue of intent.

MR. BANNIGAN: I believe, your Honor, my comment in my opening is that the Government will prove the wilfulness here merely as a result of the defendant's conduct.

THE COURT: On that basis, if you limit yourself to that, I will hear you later on and there is no occasion to hear this now and interrupt the trial. The jurors are ready to hear testimony.

Prior to the offer of proof, I will hear counsel then make a disposition at that time.

MR. NORDBY: Your Honor, may I say this as to the duplicity motion.

We decided on the basis of a case in this District that it was probably more proper after the evidence was in.

I believe Judge Tyler had ruled that way. I then discovered a case that said it may in fact be waived

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if it is not raised before trial. That is why we prepared it now rather than earlier.

MR. BANNIGAN: There are one or two other matters which I think should be brought to your attention now because they may result in some minor delays.

First, the Government's first witness is Senator Hubert Humphrey, who was subpoenaed last week to appear here at 10 a.m. this morning, has failed to appear. I am advised by his counsel that he was due into New York at 10:30 this morning, at LaGuardia Airport and would arrive in the Courthouse somewhere in the neighborhood of 11:30.

It is now 12 and before I came in here, my fear was he did not yet arrive.

THE COURT: Why can't you go ahead with other witnesses?

MR. BANNIGAN: We can but we thought it important strategy wise to have Mr. Humphrey go first. It would make things a lot more simple if Senator Humphrey was the first witness.

THE COURT: I will not hold up the trial and while you refer to strategy, I can't see it is that important that he must be the first witness.

I assume you are going to have evidence that in fact Mr. Chestnut was his campaign manager. Unless you have

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substantive evidence going beyond that, I don't know why it is so terribly important.

MR. BANNIGAN: There was some evidence which I will not put on the record now.

The other matter is that we received information Saturday morning 11:30, that one of the Government's witnesses has recanted her grand jury testimony given in connection with this case.

At the time this particular witness appeared in the grand jury in the District of Columbia, she was represented by an attorney by the name of Falvey. That attorney no longer represents this witness.

The witness is now represented by an attorney from the law firm of Edward Bennett Wklliams. It is our understanding that her present attorney will object to our calling her former attorney as a potential witness. The theory of our calling the former attorney is that the attorney-client relationship was waived in the grand jury by the client.

You just bring that to your attention now, your Honor, so you are aware that this witness' --

THE COURT: In what manner?

MR. BANNIGAN: The conversation reported in the grand jury was a conversation that took place with the wit-

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ness and her attorney outside the grand jury, and that was fully disclosed in the record, that I had had a conversation with my attorney, I said, X, Y and it is X and Y which forms the subject matter of the recantation.

THE COURT: I can't pass on that now.

MR. BANNIGAN: I am just alerting your Honor.

THE COURT: Do you have a copy of the grand jury minutes you are relying on?

MR. BANNIGAN: Yes.

The other thing, just for the record, all 3500 material has been furnished for this entire case, the Government's direct case and it was furnished during the last two weeks.

THE COURT: All right.

Does defendant have any requests to charge?

MR. THOMSON: Yes, we do.

THE COURT: When are you going to submit them? If you have them, why don't you submit them?

MR. BANNIGAN: While Mr. Nordby is looking for those, there is one other matter.

The documents that the Government would be introducing into evidence, would seek to introduce into evidence are the main copies. The original documents have disappeared. We have with us today two witnesses who can

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testify to searches that they conducted at the one end, the Associated Milk Producers files in Texas and at the other end, the offices of Lennen & Newell in New York. Both of whom will testify the originals are not in the file and unaccounted for. We bring this to your attention now since there is obviously a best evidence objection on the introduction of copies.

We had asked last week to eliminate the need for this testimony, which really has nothing to do with the jury, a stipulation from counsel that the documents, which will be introduced, are in fact true copies of the originals. I have not been advised whether counsel will so stipulate.

THE COURT: That is a matter between you and counsel. If counsel wants to assert the rights on behalf of his client for the Government to put in its proof, that is counsel's privilege.

MR. BANNIGAN: I am just saying we will have to call two witnesses.

THE COURT: You may call as many witnesses as are required.

Do you have two copies for the Court?

MR. THOMSON: Yes, your Honor.

THE COURT: What else is there?

MR. BANNIGAN: I have nothing further.

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MR. THOMSON: Do you have the requests to charge?

MR. BANNIGAN: Yes.

THE COURT: All right, we are ready to proceed.

(In open court - jury present.)

THE COURT: Mr. Bannigan, you may make your opening statement.

MR. BANNIGAN: If it please the Court, defense counsel, Madam Forelady, ladies and gentlemen of the jury.

The case which you will soon hear, as Judge Weinfeld has explained to you, is a Federal criminal matter involving violations of Federal laws relating to the making and receiving of illegal corporate contributions in connection with Federal elections.

It is a case in which the Government will prove that this gentleman here, Mr. Jack L. Chestnut, while an attorney at law and campaign manager for Senator Hubert H. Humphrey's 1970 campaign for the Senate seat he now holds, wilfully violated Federal Criminal Statutes by arranging for and accepting on behalf of that campaign, an unlawful corporate contribution from an organization known as Associated Milk Producers, Inc.

The Inc. stands for corporation.

Before going into a somewhat more detailed explanation of what the Government's proof will establish

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beyond a reasonable doubt, I would like to pause for a moment and take this opportunity to introduce myself to you and my colleague.

My name is Eugene Bannigan and the gentleman sitting here at counsel table with me is Bob Gold.

Both Mr. Gold and I are Assistant United States Attorneys. It will be our duty and responsibility throughout the course of this trial, to represent the interests of the United States of America.

In so doing, it will be our function to present to you the Government's evidence which will establish the defendant's flagrant violation of these laws. Laws, ladies and gentlemen, which were decided to insure the integrity of the democratic electoral process.

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Turning now, ladies and gentlemen to the government's evidence, I would like to outline for you the proof that the government will introduce through both witnesses and exhibits, which we submit, will establish to your satisfaction at the appropriate time the defendant's overwhelming guilty beyond a reasonable doubt.

Very simply ladies and gentlemen, the evidence will show that the defendant was the campaign manager for Senator Humphrey's 1970 campaign for the office of United States Senator from the State of Minnesota.

The proof will establish that early in that campaign, Mr. Chestnut, as campaign manager, contracted with a New York based advertising firm called Lennen & Newell, for that firm to render advertising services for the campaign.

A part of that agreement was that the campaign would pay Lennen & Newell's bills on a monthly basis. It was agreed between Mr. Chestnut and a man by the name of Barry Nova who was an employee of Lennen & Newell at the time, that the advertising bills incurred by Lennen & Newell would be sent to Mr. Chestnut and Mr. Chestnut would see to it that they were paid from campaign funds.

Not long after this an arrangement had been entered into and Lennen & Newell had embarked upon the

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performance of the services that it agreed to render, the proof will show that Mr. Chestnut contacted Mr. Nova and advised him that the campaign's funds were short; that the contributions weren't coming in. He explained to Mr. Nova that he had arranged for a company called Associated Milk Producers, Inc. a Texas firm, to pay Lennen & Newell's upcoming bills.

Nova will testify that Chestnut instructed him to have Lennen & Newell send its bills to Associated Milk Producers, Inc. and that they would pay them.

The proof will further show that Mr. Nova followed these instructions and indeed sent the bills as directed.

Another witness, a man by the name of Bob Lilly, a former employee of Associated Milk Producers, will testify that he received these bills and on the instructions of his superior, a man by the name of Harold Nelson, the general manager of Associated Milk Producers, paid these bills with corporate funds. He will testify that he was instructed by Mr. Nelson to pay these bills in this manner.

He will further testify that he was instructed by Mr. Nelson to contact Mr. Chestnut to arrange this payment.

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The evidence will show ladies and gentlemen that Mr. Lilly in fact contacted Mr. Chestnut, they agreed on an arrangement for the payment and that in fact $12,000 in checks drawn on Associated Milk Producers, Inc.'s funds were sent to Mr. Chestnut and eventually found their way to Lennen & Newell here in New York where they were credited to the Humphrey campaign account.

That, ladies and gentlemen, in a slightly abbreviated fashion is the factual evidence which the government will present. It will be presented to you by witnesses who will testify from that stand there.

Ladies and gentlemen, it will be presented to you in the form of documents which by themselves establish the violation in this case.

The evidence will further establish, ladies and gentlemen, that the defendant's conduct in this case was conduct in which he engaged in a consert with at least two other persons, namely Harold Nelson and Bob Lilly.

You may recall when I first started to address you this morning, I stated to you that the charge was that Mr. Chestnut wilfully violated the statute. That is, a statute which on the one hand makes it illegal for a corporation to make a contribution and on the other hand, for anybody associated with a campaign, federal

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campaign, to accept such a contribution.

What this simply means ladies and gentlemen, is that the government will prove that the violation charged in this indictment was wilfully and deliberately committed.

At an appropriate time, Judge Weinfeld will instruct you as to what the term wilful means. For present purposes, it will suffice for me to tell you that the government's proof will establish that this crime committed by Mr. Chestnut was not committed as the result of some mistake on his part, some inadvertance on his part or some misunderstanding on his part as to what in fact was transpired.

On the contrary, ladies and gentlemen, the government will prove a knowing and intentional violation as charged in this indictment but putting before you evidence which will show in the period 1970, at the time of this campaign, the defendant's conduct was such, his course of conduct was such from which you will be able to infer knowledge on his part that when he engaged in this transaction with Associated Milk Producers, he knew and should have known that he was wilfully violating the law.

Before I take my seat, there is one evidentiary

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matter in addition to those I have discussed with you that you should be aware of. That very simply, ladies and gentlemen is, that the government will introduce evidence throughout this trial that the defendant's conduct, or that conduct by the defendant occurring long after the events charged in this indictment -- let me restate that.

The additional evidence we will present to you ladies and gentlemen will be evidence of the defendant's conduct occurring long after the charge in this indictment from which you will be able to infer his guilt.

Basically, ladies and gentlemen, that evidence is evidence of two transactions or acts engaged in by the defendant.

First, the evidence will show that this defendant and his secretary deliberately destroyed their campaign records for the 1970 Senatorial campaign of Hubert Humphrey so that those records would be unavailable to a Senate Committee which at the time was investigating illegal corporate financings of federal election campaigns.

The second matter, ladies and gentlemen, which the government will show from which you will be able to infer the defendant's guilt and which will show his guilt, is that when the investigation of this particular case started, the defendant was asked to supply samples of

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his signature and handwriting so that they could be compared with the documents which you will see introduced in this case. The purpose of that was to insure and determine who wrote those documents.

Ladies and gentlemen, the evidence will show, and you will see this with your own eyes, that the signatures and writings provided by this defendant were deliberately false and fraudulent.

In substance, ladies and gentlemen, what I have briefly gone over with you, is most of the evidence that the government will present in this case.

In closing, I have but one request to make of you. That very simply is that you pay close attention, very close attention to the witnesses and the other materials that are presented during this trial. If you do that, ladies and gentlemen, you will insure that both the government and the defendant are given a fair and impartial trial. Surely, neither the government nor the defendant is entitled to any more.

Finally, ladies and gentlemen, as you are certainly aware, there will come a time after the presentation of all of the evidence in this case and the instructions on the law that you receive from Judge Weinfeld when you will be called upon to render a verdict in this case.

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The government submits to you, ladies and gentlemen, that at that time your fair and impartial consideration of all of the evidence will convince you that the government has met its burden of proof in this case of proving the defendant's guilt beyond a reasonable doubt. Nay beyond any date.

Thank you very much.

THE COURT: Mr. Thomson?

MR. THOMSON: If it pleases the Court, counsel, members of the jury:

The statement that you just heard of the last few minutes is the opening statement on behalf of the prosecution, and it is not evidence in this case.

What I say to you now is the opening statement on behalf of the defendant and likewise is not evidence in this case.

Neither one of these gentlemen was present when the acts that will be demonstrated here for your consideration took place, nor I, nor were my cohorts. You will find the facts from the evidence in this case. Of course, the only thing that constitutes evidence, as his Honor, Judge Weinfeld, explained to you, is testimony from this witness chair and whatever exhibits might be introduced.

Judge Weinfeld asked you in his prefatory remarks that you keep an open mind throughout this entire case, not only during the eliciting of testimony but also during the instructions of the law that the Court will instruct you on.

Because, you see, it is the practice under our judicial system that the prosecution has the first

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opportunity to go forward. It is not until the prosecution rests its case does the defendant have an opportunity to come forward with his proof.

And then every case that is tried under our system of justice is tried under certain principles of law, and almost without exception that the evidence that you hear during the course of the trial really doesn't take on its true significance until you hear the law that must be applied and enforced to that evidence. That is why you are asked to keep an open mind through the entire trial, not only the taking of the evidence but the law that the Court will instruct you on and then the summation or the arguments of the lawyers.

The purpose of an opening statement is not to try to persuade you or to argue to you for any position. The purpose of an opening statement under our American system of justice, ladies and gentlemen, is to provide for you more or less of a framework of what the lawyers anticipate the evidence will show, so that you may have a better understanding; hopefully that we would be able to convey to you an outline or a framework for the presentation of the evidence.

So it is with that understanding that I address you now, with the idea that I am not here before

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you to persuade you of any position, to try to coax you or convince you to any cause whatsoever, but to as obviously and calmly and coolly as I can outline to you the evidence as it will unfold here before you.

The evidence will show, ladies and gentlemen, that in our country there has developed certain dairy cooperatives. These are marketing cooperatives formed by dairy farmers throughout the United States. The evidence will show that there are basically three large dairy cooperatives. There is one called AMPI, that was alluded to by the prosecutor, which is the Associated Milk Producers, Inc. There is Mid-America Dairymen, and there is Dairymen Inc. These are the three large cooperatives. There are others.

These are individual dairy farmers who band together for the purpose of pooling their milk, to sell it and market it, and therefore get a more favorable price.

Over the last few years, the decade, in this country these dairy cooperatives have formed certain political arms, if you will. The evidence will show that Associated Milk Producers, Inc., known as AMPI, had set up a political trust fund that was known as TAPE. The initials TAPE stood for Trust Agricultural Political

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Education. Presently, today, I believe it is after the events of 1970 now called CTAPE, which is Committee for Thorough Agricultural and Political Education.

Mid-America Dairymen Inc. had their political arm referred to as ADEPT, A-D-E-P-T.

Dairymen, Inc. had their political arm called SPACE, S-P-A-C-E, identical to the AFL-CIO union that has their political arm, which is known as COPE, C-O-P-E.

Very simply, the way this worked, as the evidence will demonstrate, is that Associated Milk Producers Inc. had set up TAPE, which was a trust. IT was a noncorporate entity. The way it was funded was that the individual dairy farmer would agree to voluntarily contribute to make a political contribution. This was determined by taking one-third of one percent of the money he had coming to him for the sale of his milk products up to a maximum of $99.99, whichever was less.

The purpose of that, the evidence will show, was to report or to be able to prevent the individual from having to report the contribution, because any contribution $100 and over must be reported as to the name of the individual.

This was set up -- TAPE-- prior to the Senatorial race in 1970. As a matter of fact, the evidence

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will show that TAPE, the political arm of AMPI, was established in 1968 and was funded in the early part of 1969.

The corporate structure of AMPI had a board of directors, and this board of directors consisted of approximately 10 to 20 individual farmers. It was managed by individuals. The general manager of AMPI, I believe the evidence will show, was a man by the name of Harold Nelson. Bob Lilly, who was referred to, worked for Nelson and also was instrumental in contributing many sums of money to politicans throughout the country.

The membership of AMPI, I believe the evidence will show, was some 40,000 to 44,000 dairy farmers in some 22 states throughout the United States.

The evidence will show that it was well known in political circles among candidates that there are many, many dollars available for contributions, voluntary contributions, legal contributions, from TAPE to political campaigns.

The evidence will show that not only during the 1968, the 1970, but the 1972 campaigns in this country, not only national, but state and local campaigns, that millions of dollars were epxended by these political arms of the dairy cooperatives to both political sides and

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to their political candidates to gain their own ends as far as the dairy farmers of this country are concerned.

Going from AMPI, we go to Senator Humphrey. Senator Humphrey today is a Senator from the State of Minnesota. I believe that his political career, the evidence will show very briefly, was that he became Mayor of Minneapolis, Minnesota, I believe in 1947. In 1948 he was elected to the United States Senate. In 1954 he was reelected; in 1960, reelected. And I believe in the 1960 he did vie for the Democratic nomination for President. In 1964, I believe it was, he did run as Vice-Presidential candidate with Lyndon Johnson and was elected and served as Vice-President of the United States until 1968. In 1968 Vice-President Humphrey became the Democratic nominee for President of the United States. He ran unsuccessfully and was beaten by Richard Nixon.

After his defeat for President of the United States, he taught in two colleges in the Twin City area, Minneapolis-St. Paul, at the University of Minnesota and McAllister College.

At that time he was persuaded by friends and compatriots of his constituency to again run for the United States Senate in the Senatorial race of 1970.

You will recall that he did win the 1970

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Senatorial race. In 1972 he again made an attempt to get the Democratic nomination for President of the United States and did not get the nod. I believe he withdrew before the National Convention. He is presently today serving his term as United States Senator that he was elected to in 1970.

That is what the evidence will basically show as far as Senator Humphrey is concerned.

I may say as an aside here and now, so that it is perhaps clear, as long as I am telling you who the parties to the litigation are, that as Judge Weinfeld introduced me, my name is Doug Thomson, and I am from St. Paul, Minnesota. I am with the law firm that is known as Thomson Wylde Nordby & Friedberg. My partner, Mr. Nordby, is sitting over in the corner there. He is also from St. Paul, Minnesota. We are associated on the case, with Mr. John Cochrane, who sits here next to Mr. Chestnut. Mr. Cochrane is the principal in the law firm of Cochrane & Bresnahan, and he also has a law firm in St. Paul, Minnesota.

Mr. Jack Chestnut, the defendant in this case, is also a lawyer, and he has his offices in Minneapolis, Minnesota. And there are perhaps ten or eleven lawyers in his law firm. He is the senior partner, or now I guess

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lawyers can incorporate as professional corporations and he can also be referred to as the president of his law firm.

Jack Chestnut, the evidence will show, is 42 years old, married, father of a family of four, three girls and a boy. Jack was born and raised in the State of Minnesota --

MR. BANNIGAN: Your Honor, I am going to object. Is this a summation or what they are going to prove?

MR. THOMSON: What I am going to prove.

THE COURT: Please, I must ask you to refer to the defendant by his correct name, not first name.

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MR. THOMSON: Mr. Chestnut was born and raised in the State of Minnesota. The evidence will show that he graduated from the University of Minnesota, both in undergraduate work and from law school.

The evidence will show that during these early years that he was active in civic activities; that after graduating from law school he became a Deputy Attorney-General for the State of Minnesota, ultimately became Assistant Attorney General for the State of Minnesota; that during this time he was active in civic affairs for no compensation.

I believe at one time in 1963 he was designated one of the ten most outstanding young men in the State of Minnesota.

That after leaving law school, he did become interested in politics, but never as a candidate.

And the evidence will show that Mr. Chestnut at no time has ever held office or at no time has he ever sought office. His law practice is non-political. His law practice is a general practice of law, leaning heavily on anti-trust work, which is non-political in nature.

He got involved in politics as a habitual thing as being interested in civic affairs; that he had an acquaintanceship with the Democratic Party, because when he

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2 was an Assistant Attorney General, he was assistant to
3 Walter Mondale, who is our other Senator from the State of
4 Minnesota.

5 Prior to the Senatorial race of 1970, Mr. Chest-
6 nut was an advance man. And I believe the evidence will
7 show that an advance man is a person who will go out before
8 a candidate comes to a community and will make certain
9 arrangements. He will arrange to have groups together so
10 that the candidate can speak to them. He will arrange
11 accommodations where these speeches can be made and things of
12 this nature, so that when the candidate does come to the
13 community, if he is the one to address them, then all the
14 arrangements are made beforehand to accommodate the candi-
15 date. This was done without compensation.

16 For the 1970 Senatorial race, the evidence will
17 show that because of Mr. Chestnut's duties as an advance
18 man that he was approached by certain supporters of Senator
19 Humphrey -- not then Senator Humphrey, but those who wanted
20 him to run again for the Senate -- if he would become cam-
21 paign manager. And he agreed to become the campaign mana-
22 ger. And again this is without compensation. This would
23 be in addition to his duties as a lawyer in his law firm.

24 I believe the evidence will show that during this
25 time, in the 1970 Senatorial race, that he spent approxi-

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mately 25 percent to maybe 50 percent of his time in the capacity of campaign manager.

We have talked about the Dairy Cooperatives and their political funds; we have talked about Senator Humphrey and just briefly his organization, and Jack Chestnut and his background and his connection with the organization.

Now, we have the third, which is Lennen & Newell, which was an advertising agency based here in New York, New York. I believe the evidence will show that at one time Lennen & Newell was one of the largest advertising firms in the United States. They developed what was known perhaps as subsidiary which was known as Campaign Planners. Now, Campaign Planners was really a part and parcel of Lennen & Newell, but they called it a separate entity so they would not alienate their other clients, because I think the evidence will show that by and large they were engaged to support Democratic campaigns. In order not to alienate their Republican clients, they called it a different name, Campaign Planners, which was really part and parcel of Lennen & Newell.

The evidence will show that the duties that they would perform would be that they would obtain advertising to the different media -- television, radio, magazines, this type of thing; would make public opinion surveys, would

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do PR work, would develop slogans -- all the type of things that go into developing a campaign, even designing logos, bumper stickers, designing stationery -- the entire package.

And this was called Campaign Planners.

And I think the evidence will show that during the 1968 Presidential Campaign, and here of Hubert Humphrey, I believe there was in excess of $5 million that was spent by Lennen & Newell by Campaign Planners in this work.

Now, on the eve of the 1970 Senatorial race, employees of Campaign Planners, or Lennen & Newell, specifically Barry Nova, had contacted the Senator Humphrey supporters to see whether or not they would engage their services for the 1970 Senatorial race. The dates that these events occurred will be testified to with more precision than I am addressing you now. This is just about the time that Mr. Chestnut had agreed to accept the responsibilities of campaign manager.

Lennen & Newell, through Barry Nova, representing Campaign Planners in New York City, wanted to perform basically the same type of duties they had in the 1968 Presidential. There were conferences and it was agreed that Campaign Planners would handle this. And I believe, rather than doing it on a regular percentage basis, as advertising

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firms apparently charge -- in other words, if they will put out $20,000 worth of television advertising, they will charge a percentage of that as their fee -- rather than doing that, apparently they thought it was fairer if they would charge just a set fee per month for their services.

Of course, this would be above and beyond what the candidate of the campaign would have to pay for other services, to the media.

It was agreed upon that during the first month of the campaign they would pay $6,000 a month, and I believe during the last months of the campaign, when the activity becomes greater and greater, that they would pay, I believe it was, either $12,000 or $14,000.

There will be testimony in this case as to the confusion, the chaos, how hectic a political campaign is. There will be testimony that a political campaign is not an organized activity as we think of it in our business world, in our everyday affairs. That a campaign is run by volunteers for the most part in a very short span of time, handling untold amounts of money and untold amounts of advertising and so forth.

For this we agreed to hire Lennen & Newell to perform this service.

Now, during this time Robert Lilly, or Bob Lilly--

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I believe his real name is Bob Lilly -- a part of AMPI, as well as Harold Nelson, had made contact with the Humphrey campaign, as they had with many candidates, and they pledged a certain dollar amount to support Humphrey in his running for Senator of the United States.

It was well known that these funds, legitimate legal funds, were available through their political arm called TAPE. And not only was this known but it was publicized in the newspapers, that all candidates knew that AMPI had funds available and they had made certain commitments, and they did indeed make a commitment to Humphrey for his campaign. And the ones that were responsible for doing this were Harold Nelson and Bob Lilly, going around the country pledging support to their favorite candidates. And Senator Humphrey was well respected among the dairy farmers of Minnesota. They probably recognized Minnesota as one of the top dairy producting states in the Union.

So they did offer their support as far as money is concerned.

Now, Jack Chestnut was campaign manager but he was not finance manager, though he oversaw the campaign. And this campaign was run out of his law office, by and large. There was some other space obtained later to accommodate some other workers. It got closer and closer to election

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time, they had to hire more and more people. One secretary was employed by the law firm, did quite a bit of work in the campaign. There was another secretary that was hired just to handle the campaign and so forth. The details of this I will not burden you with now, but will be testified to during the course of this trial.

So it ultimately came to pass that Bob Lilly approached Mr. Chestnut and said "We would like to pick up some printing bills for you."

And so Mr. Chestnut explained that "We don't have any printing bills but we do have some consulting fees from Lennen & Newell."

So they expressed a desire to pick up some bills.

Now, let me explain that during a campaign there are many, many committees, volunteer committees, that spring up.

For instance, Minnesota may get up, Northern Minnesota, the Duluth Drug Store operators for Humphrey and somebody will voluntarily become the Chairman of that and maybe they will announce to the campaign manager, "Well, we have got $10,000 available." And then the campaign manager will call them sometimes and say, "Well, we would like to use that $10,000 to purchase some television space, television now."

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"Well, we don't like television time, but we will give you $10,000 to build stands or something of that nature.

MR. BANNIGAN: Your Honor, I interpose an objection. Is this going to be testified to ?

MR. THOMSON: Yes, it is.

MR. BANNIGAN: Very well. I withdraw the objection.

THE COURT: Mr. Thomson, you have been going at it quite a while. An opening is an opening. You are going much too long.

MR. THOMSON: I am just drawing to a close, your Honor.

They had offered to pick up these bills. Mr. Chestnut explained that they had consulting fees from Lennen & Newell, a $6,000 a month obligation.

The evidence will show that the 1970 Senatorial Campaign was well funded as far as Hubert Humphrey was concerned. It was a campaign that ultimately actually had excess contributions that through Democratic committees were filtered off to other candidates.

At the time this was offered, there wasn't any question in anybody's mind that this was an offer of 100 percent legitimate legal campaign contributions from the

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1 political arm of AMPI.

2 Mr. Chestnut told Barry Nova that AMPI had

3 agreed to pay, I believe, at least two of the bills, and to

4 send the bills to AMPI in care of him. The evidence will

5 show that during the course of the campaign that this was

6 done quite a bit, and what committee to bill.

7 In other words, there were various committees

8 for Humphrey, and they would advise Barry Nova which com-

9 mittee to bill to pay that particular month's consulting

10 fee for Minnesota.

11 The evidence will show that as far as memory

12 serves today that the invoices came, they were made out to

13 AMPI Inc. Mr. Chestnut will testify at that time that he

14 was not aware even that there was an AMPI Division in New

15 Ulm, Minnesota. If they did not properly reflect consulting

16 fees, he sent them back and told them to make them out anew

17 and they did.

18 As far as he knows the bills were paid. The

19 first time, the evidence will show, that Jack Chestnut ever

20 became aware that those bills were paid not by TAPE funds

21 but by AMPI Inc, funds was when he read it in the newspaper

22 over some year and a half later, I believe.

23 There will be not one shred of evidence in this

24 case which will show that Jack Chestnut ever saw any funds

25

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from AMPI Inc. That the contrary will be that he never saw the checks.

Thirdly, that there were two covering letters sending the invoices -- sending the invoices -- to Lennen & Newell. There is a signature there that says "Jack." In all likelihood, that signature is Jack Chestnut's signature. But his secretaries, both of them, the one on the political and the one on the legal, signed his name all the time -- to checks, to correspondence. So he cannot really say today, but we will admit that was his signature, it was a signature on a letter.

In closing, there was some mention or allusion by the prosecutor that there was certain destruction of records. There were records that were thrown away under the legal advice of a lawyer who was consulted for that purpose long before -- long before -- there was ever such a thing as a Watergate Committee.

Now, I ask you, with that framework, with that outline, to keep an open mind throughout all of the evidence in this case, not only throughout the prosecution's evidence, throughout the defense's evidence, throughout the law and the arguments of the lawyers, before you allow yourself to lean one way or the other. And when the evidence is closed and the law that Judge Weinfeld will instruct you

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on has been given, we will ask at your hands a verdict of not guilty on the grounds that there is absolutely no substance to this charge.

Thank you.

THE COURT: Call the first witness, please.

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2 The Government calls Hubert H. Humphrey.

xx 3 H U B E R T H. H U M P H R E Y, called as a

4 witness by the Government, having been first duly

5 sworn by the Clerk of the Court, testified as follows:

xx 6 DIRECT EXAMINATION

7 BY MR. BANNIGAN:

8 Q Sir, you are presently the United States Senator

9 from the State of Minnesota, are you not?

10 A I am.

11 Q Sir, how long have you held the seat, one of the

12 seats, United State Senate seat from Minnesota?

13 A From 1949 to 1965.

14 From 1971 to the present date.

15 Q When were you elected to your present term of

16 office?

17 A I was elected in the election of November, 1970.

18 Q Would that have been November 3 of 1970?

19 A It may well have been. It was election day,

20 whatever day it was.

21 Q Sir, do you know this gentleman who is sitting

22 to my right, the second gentleman?

23 A I surely do.

24 Q Who is he?

25 A Mr. Jack Chestnut.

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Q Was Mr. Chestnut your campaign manager in the company which resulted in your election to your present term of office?

A He was.

Q Prior to Mr. Chestnut's becoming your 1970 Senatorial Campaign Manager, had he done any work for you of a political nature?

A Yes. In the election of 1968, Mr. Chestnut was very helpful to me as one of our chief advancemen in the campaign. The advanceman helps set up the schedules, arrange the meetings.

Q Approximately when in 1970 did you select Mr. Chestnut to become your campaign manager?

A We decided to enter the campaign somewhere formally about June of 1970. I had talked with Mr. Chestnut earlier about the possibility of his taking on the responsibility so I would say it was somewhere in the Spring of 1970.

Q There was groundwork to be done, was there not, as there is in most campaigns?

A There is a good deal of groundwork to be done and a good deal of discussion that needs to take place.

Q This type of activity is something that has to be done sometime in advance of either the primary or the general

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1 election?

2 A Yes. You discuss these matters with many people

3 as I did in 1970.

4 Q Sir, the first part of the electoral process

5 which resulted in the term of office you now hold, that

6 was a primary, was it not?

7 A Yes, indeed.

8 The primary in Minnesota is in September.

9 Q You conducted some sort of a campaign for that

10 primary nomination, did you not?

11 A Indeed I did, and a good one.

12 Q What was the name of the party or the ticket on

13 which you ran?

14 A The Democratic Farmer-Labor Party ticket.

15 Q And you were successful in that primary, is that

16 correct, sir?

17 A Yes, sir.

18 Q I take it Mr. Chestnut did some work for you in

19 connection with the primary campaign?

20 A Yes, sir.

21 Q These were in effect, were they not, both the

22 primary and the actual election, both lumped together?

23 A Yes, they are separate campaigns but they

24 actually flow from one to the other if you are successful

25

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in the primary.

Q The activities flow from one to the other?

A Yes.

Q Sir, from after the primary in September, I believe you said, the campaign work focused on the general election in November, is that correct?

A That is correct.

Q And at that time Mr. Chestnut continued to be your campaign manager?

A Yes, indeed.

Q Was Mr. Chestnut paid to be your campaign manager, to the best of your recollection?

A I don't believe so. Not to my recollection.

Q Could you generally and fairly briefly, Senator, tell the ladies and gentlemen of the jury, what responsibilities you gave Mr. Chestnut in this campaign?

A Well, a campaign manager has the general responsibility of trying to organize your schedule, supervise the program of your media, that is, the advertising, radio, television. Bringing other people into the campaign, coordinating the many different groups that work with you.

In our State, of course, we have county party organizations. We also have voluntary committees. The campaign manager attempts to try to coordinate those many

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activities. He also has responsibility for seeing to it that adequate finances are raised to take care of the campaign and making and see to it that the reports are filed.

He is a very busy man.

In the instance of Mr. Chestnut, he, of course, is a very busy lawyer and highly respected one.

Q I don't think I asked you about that. I asked you what his duties were on the campaign.

A I am going to tell you. His duties were in conjunction with his law practice. He had to perform his campaign management duties as a part of a total day's effort. What I am trying to tell you is, he did it part-time.

Q Thank you, Senator.

Senator, you mentioned in the course of recounting his various duties, that he was in charge of the media and advertising program, is that correct?

A Overall supervision, yes.

Q Do you know, sir, whether in connection with the 1970, your 1970 Senatorial Campaign, whether a professional advertising concern's services were employed?

A I believe so.

Q Are you familiar with the name Lennen & Newell,

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Inc.?

A Yes, I am.

Q Would that have been the advertising firm that performed services in connection with your company?

A It was.

Q It is correct, is it not, sir, you were familiar personally, with Lennen & Newell prior to 1970?

A Yes. They did some work for us in 1968, in the Presidential Campaign.

As I recollection about the last month or month and a half of that campaign.

Q Sir, focusing your attention on the period 1970, did you personally engage the services of Lennen & Newell?

A Did I personally?

Q Yes.

A No. I didn't personally engage them because that is the duty of the campaign committee.

Q Is it your understanding that the campaign committee engaged their services?

A Yes.

Q Would it be fair to say that the campaign manager was the head of the campaign committee?

A Yes, that is true. Of course he engaged their services after consultation with the candidate.

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Q Then you were familiar, sir, with conversations that were going on between Mr. Chestnut and representatives of Lennen & Newell; is that correct?

A Some of them.

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2 Q Sir, you testified that you announced I believe
3 in June, is that correct?
4 A I think it was in June, sir, that I indicated
5 I would seek the endorsement of our party. We had party
6 convention, state convention in June of that year and I
7 announced I would try to get the endorsement of the party.
8 The party had its divisions and it was a task
9 that I had to undertake.
10 Q I take it, sir, you were familiar that some
11 negotiations or some activities by Lennen & Newell had
12 occurred prior to that time?
13 A Yes, that is true.
14 Q Now, sir, do you at the present time recall
15 any of the people who were employed by Lennen & Newell
16 who actually worked on your campaign?
17 A Yes. There was a Mr. Gross. I have forgotten
18 his first name and Mr. Nova. Those were the two that
19 came to our state.
20 Q Did you and Mr. Chestnut have occasion to
21 talk to either Mr. Gross or Mr. Nova about the services
22 being rendered by Lennen & Newell?
23 A Yes, sir.
24 Q In these conversations, sir, that you had
25 with Mr. Gross -- well, who did you have these conversations

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with, both Mr. Nova and Gross or one or the other?

A Yes. I believe we had them together but there may have been some separately. That is rather difficult to recall, but I met with them.

Q During the course of these conversations, did you personally, sir, discuss the financial arrangement between Lennen & Newell and the campaign?

A I did not.

Q You left that in the hands, I take it, of Mr. Chestnut?

A I left that in the hands of Mr. Chestnut and others who were on the campaign committee.

Q During the campaign, sir, did you become aware of what the financial arrangements were between Lennen & Newell and your campaign?

A Well, sir, the only thing that a man knows about is, bills are submitted and they have to be paid. We had a campaign fund that was organized later on in the campaign and out of that fund, hopefully, bills can be paid, but other than that as to the details, I can't say that Iwas familiar with all of those arrangements.

Q You basically knew they were rendering a service and they were supposed to be paid for it?

A Indeed they wanted to be paid for it. They

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had gone through an experience in 1968 along with some others where they didn't get very much paid.

Q Did you ever in any detail discuss with Mr. Chestnut the arrangements, the specific arrangements for the payment of these Lennen & Newell bills?

A No. I just knew that Mr. Chestnut would see that the bills were paid. He was a man of good reputation --

MR. BANNIGAN: I move to stike. The answer is "No."

THE COURT: The answer is stricken. Please just answer the question.

Q Sir, what if any supervision did you as the candidate exercise over your chief of staff, Mr. Chestnut?

A I merely asked whether or not there was enough money for us to continue our campaign.

MR. THOMSON: I move that reference to "chief of staff" be stricken.

THE COURT: Yes. It will be stricken. Ask proper questions and the witness will answer properly and we will move along.

MR. BANNIGAN: Would you read back the witness' answer.

(Answer read)

Q Generally, sir, it would be fair to say that

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you did not or could not because of the pressures of the campaign concern yourself with the day-to-day activities of the running of the campaign, is that correct?

MR. THOMSON: Objection. Counsel is testifying. He is not only leading the witness but he is also testifying.

THE COURT: Objection sustained.

Q You did not concern yourself with the details of the election?

MR. THOMSON: Objected to as leading and suggestive.

MR. BANNIGAN: Withdrawn.

Q Did you concern yourself with the details of the election?

A I concerned myself with my campaigning and the general overall campaign program.

Q Were you aware of the details of exactly where every penny that was coming into that campaign was coming from?

A Of course --

MR. THOMSON: Objected to. He is leading his witness.

THE COURT: I will allow it. He may answer.

A Of course not.

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Q Sir, what is the largest dairy producing state of the United States?

A There is an argument about that. We in Minnesota think we are one of the top two.

Q What is the largest dairy producing county in the United States?

A It is the county in which I live. At least it once was, Wright County, Minnesota.

Q Are there any dairy cooperatives located in Minnesota?

A I should say there are. Our state is known for its cooperatives and particularly for its dairy cooperatives.

Q Do you just offhand, sir, recall the names of any of those cooperatives?

A Land-O-Lakes is one of the larger. The Mid-West Dairymen; AMPI, Associated Milk Producers, Inc. Those are some of the larger ones. Twin City Milk Coop.

Q Focusing on what you call AMPI, are you aware whether they have a facility or office located somewhere in Minnesota?

THE COURT: Somewhere is where?

MR. BANNIGAN: Minnesota.

A They have field men there. I am not sure of

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an office, sir.

Q During the 1970 campaign, did you personally seek the support of Associated Milk Producers, Inc.?

A I surely did.

Q Do you know, sir, and a yes or no answer would be quite sufficient --

MR. THOMSON: Your Honor, this is direct examination. He is trying to cross examine this witness and I object to it. He is using leading questions and he is admonishing the witness how to answer. I think it is reprehensible on his part.

MR. BANNIGAN: I object to the speech.

THE COURT: The jury is instructed to disregard the statement of counsels. I think I told you that statements of counsel are not evidence.

Q Senator, do you personally know whether Associated Milk Producers, Inc. contributed anything to your 1970 Senatorial campaign?

A Yes, I do.

Q Do you know the amount of money they personally contributed to you?

A No, I do not, as to the exact amount or total.

Q Do you know as a matter of fact that they personally contributed to your firm, Associated Milk

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Producers, Inc.?

A I read in the reports that they had.

Q No, sir. Personal knowledge at the time, 1970, did you then know, personally that Associated Milk Producers, Inc. contributed funds to your campaign?

MR. THOMSON: Objected to as repetition.

THE COURT: Overruled.

A Might I ask, are you asking did they contribute to me?

Q Exactly.

A No.

Q So any knowledge you might have would be hearsay, is that correct?

A No.

Q Based on where you have read it.

A I read the reports.

Q That is hearsay, sir.

MR. THOMSON: Your Honor --

THE COURT: You are arguing with the witness. I will sustain the objection.

How much longer do you think you will be with this witness?

MR. BANNIGAN: No more than ten minutes.

THE COURT: How long will your cross examination

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be?

MR. THOMSON: Perhaps 20.

THE COURT: The jury has been here since 10:00 o'clock this morning. We will take our luncheon recess now. We will resume at 2:15.

(Luncheon recess)

end t3b

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AFTERNOON SESSION

2:15 P.M.

(In open court - jury present)

HUBERT H. HUMPHREY, resumed.

MR. BANNIGAN: May I proceed, your Honor?

THE COURT: Yes.

DIRECT EXAMINATION CONTINUED

XXXX BY MR. BANNIGAN:

Q Senator, I believe the last question I put to you before we broke for lunch was whether you had personal knowledge of any campaign contributions by Associated Milk Producers, Inc., and I believe your answer was on personal knowledge that you had none.

A As to me personally, that is correct.

Q It is correct, sir, is it not, that you have over the years been engaged in numerous campaigns?

A Yes, it is correct.

Q Sir, are you familiar with the statute known as the Corrupt Practices Act?

A Yes, sir.

Q And are you familiar that that statute prohibits

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corporations, among others, from making political contributions in connection with federal campaigns?

A Yes, sir.

Q Sir, what steps have you taken as a candidate to insure that no such contributions found their way into your campaigns?

A We have always tried to familiarize ourselves with the campaign laws of the state and the federal government, and those who have been associated with me in campaigns have been informed as to those laws.

Q All right.

Did you give any specific instruction to people who worked in your campaign concerning those practices?

A Yes. I have always reminded people of the Corrupt Practices Act even though I have not reviewed the Act personally with them.

Q Have you told them, sir, that they are not to take political contributions?

A Would you repeat that?

Q Have you told people who work in your campaign that they are not to take political contributions from corporations?

A From corporations, yes.

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Q Specifically you told them that?

A That's correct.

Q Has it been your practice, sir, to give those instructions in connection with all of your campaigns, federal campaigns?

A Federal and state. We have a state law as well.

Q In Minnesota?

A That is correct.

Q And did you give those instructions to people working in your 1968 campaign?

A Indeed I did.

Q Do you recall giving these instructions to Mr. Chestnut in 1968?

A No, sir. Mr. Chestnut was not in charge of the campaign in 1968.

MR. BANNIGAN: May I have one moment, your Honor?

(Pause)

Q Did you give similar instructions in connection with your 1970 Senatorial campaign?

A Yes, sir.

Q When, sir, is it your recollection that you gave those instructions in 1970?

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A Sir, I cannot recall a specific date, but it was just general practice that during a campaign as the campaign got underway that you were reminded of the limitations on political contributions from corporations and from unions.

Q Sir, would it be fair to say that you gave them at thebeginning of the campaign as opposed to the end of the campaign?

A During the campaign, by the time you formalized your campaign structure, yes.

Q Did you give such instructions to Mr. Chestnut in 1970?

A I am sure that somewhere along during the formalization of the campaign those understandings were given, those instructions.

Q It is your recollection, sir, that you did in fact give him those instructions?

A Sometime during the campaign I am sure that happened. I cannot recall, in all honesty, any specific time or date, but those of us in campaigns understand the Corrupt Practices Act and the state laws that may pertain to corporate contributions, not to contributions of a voluntary nature. There are voluntary contributions that relate -- that are legal and acceptable.

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Q Do you recall having instructed Mr. Chestnut not to take any corporate contributions during the period of 1970, yes or no?

A Yes.

Q Thank you.

Did you ever ask Mr. Chestnut at any time during the period of the campaign whether he had abided by those instructions?

A No. I saw no need to at all.

Q Your answer is no, sir?

A I said I had no need to at all.

MR. BANNIGAN: I move it be stricken. The answer is no.

MR. THOMSON: Just a minute. We have sat idly by and allowed him to cross examine his own witness.

THE COURT: That isn't correct. I can't permit that statement to go by. He is not cross examining his own witness.

The objection is sustained. Reframe the question.

Please answer the question yes or no. It may be answered yes or no without any volunteering.

Q Did you ever ask Mr. Chestnut at any time during the year 1970 whether he had abided or had not

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abided with those instructions?

A No.

MR. THOMSON: Objected to as irrelevant.

THE COURT: Overruled.

MR. BANNIGAN: I have no further questions of the witness.

THE COURT: You may inquire.

CROSS EXAMINATION

xxx BY MR. THOMSON:

Q Senator, there has been some mention regarding dairy cooperatives.

Would you explain to the jury what a dairy cooperative is.

A A dairy cooperative is a group of farmers, dairy producers, who have joined together for the purpose of marketing their product. They are formulated under the laws of the State of Minnesota and under the Capra-Olmstead Act of the United States government. They are legal entities and they are not considered in law to be subject to antitrust prosecutions.

Q Further, Senator, on direct examination I believe you indicated that you had during the 1970 Senatorial campaign in Minnesota solicited funds from AMPI. Is that correct?

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A From the voluntary fund of what is known as the Associated Milk Producers, Inc.

end t

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Q Would you explain to the jury what the voluntary fund of the Associated Milk Producers, Inc. is?

A In the State of Minnesota our farmers that belong to the dairy cooperative such as AMPI, A-M-P-I, Associated Milk Producers, Inc., are asked to contribute voluntarily a certain amount of money into what is known as a political fund. It is similar to what the AFL-CIO has called COPE.

In the instance of AMPI, I believe it was called TAPE, if I am not mistaken, T-A-P-E.

This fund is legal. It is within the frame of Federal and State law. The farmers are not required to contribute, they are asked to contribute, just as a union member is asked to contribute a dollar ot $2.

That fund is then available for contributions to candidates for Federal or State office, legal contributions.

Q Then, Senator, when you indicated that you had solicited funds from AMPI, you had reference, of course, to this voluntary fund called TAPE?

A Of course, of course. That is the only legal fund.

Q And they do have, is it not true, that the Dairy Cooperatives do have considerable voluntary funds available to all candidates for public office?

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A In recent years, indeed they have.

Q But they have made it known, have they not, among those in the political arena, that those funds are available?

MR. BANNIGAN: Objection.

THE COURT: I will allow that.

A Of course it is known and they have made it known. We know it is known because we live with the people that make the contributions.

Q Now, were you familiar during the 1970 Senatorial race in Minnesota, with a Bob Lilly?

A Yes, I heard of Bob Lilly and I believe I met Bob Lilly.

Q Who did you know Bob Lilly to be, sir?

A A representative of AMPI.

Q And Harold Nelson?

A Yes. He was an officer of the Associated Milk Producers.

Q And were they active in political campaigns as far as contacting candidates and so forth?

A Oh, yes.

Q Were they active in making campaign pledges or contribution pledges?

A They assured our committee that they would be of

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help.

Q Specifically, during your 1970 Senatorial race, did AMPI through their voluntary funds or voluntary fund, assure your campaign that they would make contributions?

A I testified to that. Yes.

Q I take it, Senator, there wasn't any question in your mind that Mr. Chestnut, as a lawyer was well versed and acquainted with the campaign laws?

MR. BANNIGAN: Objection.

THE COURT: You may answer.

A I felt that Mr. Chestnut, as a lawyer, was well acquainted with the Federal campaign laws.

Q One more question, Senator.

Have you ever met me in your life, do you ever recall?

A I really don't recall.

MR. THOMSON: Thank you.

MR. BANNIGAN: I have no redirect.

THE COURT: Had I known it was going to be such a short period of time I could have finished before the luncheon recess. You told me it would take about a half hour.

You are excused.

(Witness excused.)

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THE COURT: Call the next witness, please.

MR. BANNIGAN: The Government calls Barry Nova.

xx B A R R Y N O V A, called as a witness by the Government, having been first duly sworn by the Clerk of the Court, testified as follows:

xx DIRECT EXAMINATION

BY MR. BANNIGAN:

Q Mr. Nova, please keep your voice up so all these ladies and gentlemen can hear you.

Mr. Nova, how are you presently employed?

A I am employed as the Director of PR for the U. S. Tobacco Company in Greenwich, Connecticut.

Q PR stands for --

A Public Relations.

Q How long have you been associated with that company, sir?

A Approximately a year and three months.

Q Prior to undertaking your present employment, what was your work?

A I was employed prior to that by a publishing company in Manhattan. Prior to that for a period of time with the advertising agency of Lennen & Newell in Manhattan.

Q How long were you with Lennen & Newell in Manhattan?

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A For 13 years.

Q Do you recall the year in which you left?

A I left the early part of 1972.

Q Is Lennen & Newell, to your knowledge, still in business?

A No, it is not.

Q Do you know why not?

A They went into bankruptcy I believe in May of 1972.

Q What type of business was Lennen & Newell in?

A They were engaged in the handling of advertising accounts.

Q When you were associated with Lennen & Newell, was it a partnership, a corporation or some other type of organization, if you know?

A It was a corporation.

Q When did you start working?

A I began the early part of 1959, I believe.

Q And you left, you said, sometime in early 1972?

A That's correct.

Q Did you hold any position at Lennen & Newell during this period of time?

A Yes.

Q What was that?

A I was at one point in time a senior vice president.

Q When was thatin point of time we are talking about?

A I was elected, I believe, 1968.

Q And did you continue in that position until you left in 1972?

A I did, yes.

Q Sir, were you also an account supervisor?

A Yes.

Q In general terms, could you please explain to the Court and the ladies and gentlemen of the jury what your duties were as account supervisor?

A Primarily the duties were to discuss the products of a client withhim, with his marketing department, and to decide on the right advertising approach that ought to be used on a creative basis and then where to place the kind of advertisement that you all agreed upon.

Q During the period 1968 to 1970, who were Lennen & Newell's principal clients?

A I believe we had accounts that ranged from the Florida Citrus Commission to Colgate, the American Gas Association, the Muriel Cigar account, a wide range.

Q I didn't mean to cut you off.

A A wide range of product areas.

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Q Most of your clients then were commercial, is that correct?

A Yes, that is correct.

Q Did you have any accounts which were not commercial accounts during this period?

A Yes, we did.

Q Could you please tell the ladies and gentlemen of the jury some of those accounts, the names of some of those accounts?

A We handled political advertising for the Humphrey Campaign in 1968 for the Presidency, the Humphrey Campaign for the Presidency in 1970; for the Senate in Minnesota.

We handled the campaign of John Glenn in a primary race in Ohio, the campaign of Senator Yarborough in Texas. The campaign of Senator Williams in New Jersey and some assembly races in the State of New York, again in 1970.

Q Sir, are you familiar with the term Campaign Planners?

A I am.

Q What was Campaign Planners, sir?

A It was an entity created by Lennen and Newell which would handle all our political advertising accounts.

Q But it was a part of Lennen & Newell, was it not?

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A It was a part of Lennen & Newell.

Q In fact, sir, it was just a name given to a number of people who all worked for Lennen & Newell, is that correct?

A That is correct.

Q Now, sir, you mentioned a number of political campaigns in which Lennen & Newell worked in the period 1968 through 1970, is that correct?

A Yes.

Q Directing your attention to 1968, what campaign did you work on at that time?

A Vice President Humphrey's campaign for the Presidency.

Q Who was the official at Lennen & Newell who was in charge of the advertising campaign?

A I was.

Q Just for background, could you briefly tell the ladies and gentlemen of the jury, what kind of service you performed at that time?

A On a prerequisite basis we worked for a group called Citizens for Humphrey - Muskie, which was really in the brochure business.

What we did at that point in time was to create some issue oriented brochures. After the Convention, we

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were named to handle the entire advertising account with about eight weeks remaining in the campaign and what we did at that time was to produce again our creative entities and to place them on all forms of media.

THE COURT: What campaign was that you are referring to, what year?

THE WITNESS: The '68 campaign, your Honor.

Q This is when Senator Humphrey sought the Presidency?

A That is correct, against Richard Nixon.

Q Now, sir, do you know what organization paid your bills in connection with that campaign?

A Our bills were paid by the Democratic National Committee and various other committees within that sphere.

Q Campaign committees?

A Yes.

Q To your knowledge, did anyone other than a campaign committee pay any of your bills during that time?

A No.

Q In connection with that campaign, sir, were you ever asked by anyone to submit bills to something other than a campaign organization?

A No.

Q Directing your attention to 1970, could you tell

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the ladies and gentlemen of the jury whether Lennen & Newell provided any services for Senator Humphrey at that period of time?

A Yes, we did.

We were contacted in the early part of the year and we subsequently handled the advertising for the Humphrey Campaign for the Senate in Minnesota.

Q Now, sir, do you know the official at Lennen & Newell who was in charge of handling the campaign advertising for Senator Humphrey's 1970 Senatorial Campaign?

A I was.

Q Who was the official in the Humphrey Campaign that you did most of your dealings with?

A The campaign manager, Jack Chestnut.

Q Would you look around the room and tell the ladies and gentlemen of the jury whether you see Mr. Chestnut in Court today?

A Yes, I do.

Q Would you indicate where he is sitting?

A He is sitting at the rear table, the green table, in the center.

MR. BANNIGAN: May the record reflect the witness has identified the defendant.

THE COURT: Yes.

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Q When in 1970 did you first become involved with the Senatorial Campaign of Senator Humphrey?

A As I recall it, it was the first half of Februar

Q What were the first steps that you took in connection with your involvement in this campaign on behalf of Lennen & Newell?

A I received a call from a gentleman named Bill Connell, who asked me to come to Minnesota to meet with some eople to discuss our handling Senator Humphrey's effort there.

Q Did you go to Minnesota?

A I did.

Q Whom did you meet there?

A I met with Bill Connell, a gentleman by the name of Norman Sherman; Jack Chestnut.

Q Do you know who Mr. Sherman was?

A Yes, I do.

Q Who was he?

A He was a campaign aid during the 1968 campaign. He was Senator Humphrey's press aid.

Q Do you know who Mr. Connell was?

A Yes, I do.

Q Who was he?

A At one point in time, Bill Connell had been th

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administrative assistant to Senator Humphrey and was always a campaign aid.

Q When he was Vice President, is that correct?

A I am not sure he was administrative assistant when he was Vice President. I believe he was administrativ assistant when he was a Senator prior to his becoming Vice President.

Q And you say you met Mr. Chestnut?

A Yes, I did.

Q Did you have any conversation with Mr. Chestnut at this time?

A Yes.

Q If we can just go back.

Do you recall where this meeting took place?

A At the Lemington Hotel.

Q Is that in St. Paul or Minneapolis?

A It is in Minneapolis.

Q Prior to going out there to Minneapolis, did you know Mr. Chestnut was the campaign manager?

A No, I didn't.

Q When did you find that out, if you ever found it out?

A At that meeting.

Q Who told you that?

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A It was either Connell or Sherman who indicated that Jack was going to be the campaign manager.

Q Did you have any conversations during this meeting with Mr. Chestnut?

A Yes, we did.

Q To the best of your recollection, tell the ladies and gentlemen of the jury what he said to you and what, if anything, you said to him?

A I don't recall specifics of it but it was about who we were and how we would handle the campaign, what the services were that we might provide and when I left it was agreed I would go back and present a letter agreement as such about what Campaign Planners would do on behalf of the Humphrey Campaign in Minnesota.

Q Is that your best recollection as to what was said?

A Yes.

Q Was an agreement reached at this meeting?

A No.

Q Was an agreement ever reached?

A Yes.

Q When was that, to the best of your recollection?

A Perhaps three weeks afterwards.

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Q Was this agreement memorialized in some way?

A No, it was just in the form of a letter I sent to Mr. Chestnut which as I recall he agreed to, which stated what the fee would be and Campaign Planners always charged on a fee basis.

That is how we were compensated.

Q You do remember sending this letter?

A Yes, sir.

Q Who did you send this letter to, Mr. Chestnut or somebody else?

A Jack Chestnut.

Q Do you have a copy of that letter?

A I do not.

Q Do you know who would have the original of that letter?

A Perhaps Mr. Chestnut would.

Q But you don't have any copy?

A No, I do not.

Q Sir, this letter that you sent to Mr. Chestnut, could you be a little more specific as to its contents?

A Well, it mentioned, as I said, the services that we would provide. We would buy the media, create the advertising entities. We would have some individuals either on call in our office or out there on a physical

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basis in the campaign and we would charge some fees on a monthly basis.

I believe what we finally arrived at beginning in March, was a fee of $6,000 a month until August when the fee would go to $14,000 a month.

Why it was done that way was in fact that you would do a lot more work towards the end of the campaign when you were getting into the final throes of it than you would early on.

Q Do I understand you correctly, sir, that the fees were to be $6,000 a month early on in the campaign and later escalating?

A Yes, they would.

Q How were these bills to be paid, on a monthly, bi-monthly?

A A monthly basis.

Q Whom were you directed by, if by anyone, to send these bills?

A Jack Chestnut.

Q Do you recall the address you were supposed to send these bills to?

A It was the Midland Bank Building. Jack had his law office there.

Q Did there come a time when Lennen & Newell

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actuall began to perform services in connection with this campaign?

A Yes.

Q I take it youstarted to incur expenses, is that correct?

A Yes.

Q In the ordinary course of things, did you begin to submit bills?

A That is correct.

Q What is your best recollection as to the time when you began to perform some services, about when?

A It began as I recall it, in March, the latter part of March.

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2 Q Do you recall what the total billings were
3 for the services rendered by Lennen & Newell?
4 A I believe the fee was $72,000.
5 Q Do you know whether Lennen & Newell was in
6 fact paid this fully?
7 A Yes, we were.
8 Q There was no outstanding obligation at the
9 conclusion of the campaign?
10 A None.
11 Q You stated you were to send the bills to Mr.
12 Chestnut.
13 A Yes.
14 Q Did you send the bills to Mr. Chestnut on all
15 occasions?
16 A Yes.
17 Q There was no occasion when you did not send
18 bills to Mr. Chestnut?
19 A I am sorry. There was one or two. There was
20 another entity out there called Citizens for Humphrey,
21 which we billed on a one or two times basis and there
22 was occasion we billed American Milk Producers -- Associated
23 Milk Producers.
24 Q Would you describe for the ladies and gentlemen
25 the circumstances which led up to your billing Associated

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Milk Producers for services rendered by Lennen & Newell for the campaign?

A As I recall it, and I am not sure whether it was a phone conversation or in fact there was a meeting in Minnesota --

Q Mr. Chestnut.

A Yes.

Q Please refer to him as Mr. Chestnut.

A Mr. Chestnut asked that I bill AMPI for a couple of months of our fee on the basis that it was early in the campaign, that there are funds that are hard to get early in the campaign and this would be a help, and I did.

Q Did Mr. Chestnut give you an address to send these bills to?

A Yes.

Q Do you recall what that address was?

A No.

Q Do you recall what state the addressee was located in?

A No.

MR. BANNIGAN: I ask this document be marked Government's Exhibit 1 for identification.

xx (Government's Exhibit 1 marked for

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identification)

Q Mr. Nova, I show you what has been marked Government's Exhibit 1 for identification.

I ask you to look at it and please tell us if you can identify it.

A Yes, I can.

Q What is that document, sir?

A It is a Lennen & Newell invoice in the amount of $12,000 for consulting fees for Minnesota.

Q Do you know what the term "consulting fees for Minnesota" refers to?

A Yes. That is the way we used to mark our bills in this campaign and others.

Q Does this appear to be an authentic copy of a Lennen & Newell invoice?

A Yes, it does.

Q Earlier I asked you if you recalled the address that Mr. Chestnut told you to send the invoice to and you said you didn't recall.

A Yes.

Q I ask you to look at Government's Exhibit 1 for identification and see if that refreshes your recollection as to the address.

A Not really.

Q You still have no recollection?

A No.

MR.BANNIGAN: I ask these four documents be marked Government's Exhibit 2 for identification.

(Government's Exhibit 2 marked for identification)

xxxx

Q Sir, I show you what has been marked as Government Exhibit 2 for identification and ask you if you can identify the four documents encompassed in that exhibit.

A Yes, I can.

Q Don't you think you ought to look through all four of them, sir?

A Yes.

Q What are they?

A Lennen & Newell invoices in the amount of $3,000 each.

Q Do they appear to be authentic invoices?

A Yes.

Q Do you know what these invoices were submitted for, what service?

A They were submitted for two months of a fee for Campaign Planners.

Q Sir, are these the invoices sent by Lennen &

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Newell to Associated Milk Producers, Inc.?

A Yes.

Q And these were sent at Mr. Chestnut's direction?

A Yes.

THE COURT: Those invoices reflect what, what services rendered upon whose behalf?

THE WITNESS: They reflect, your Honor, the services that were rendered to the Humphrey campaign for which we were compensated our monthly fee which at that point in time was $6,000.

Q Sir, at the time you were asked to send these invoices to Associated Milk Producers, Inc., did you know what Associated Milk Producers, Inc. was?

A No, I did not.

Q Do you know today?

A Yes.

Q Did Mr. Chestnut when he spoke with you tell you what Associated Milk Producers was?

A No, he did not.

Q He merely told you to send the bill to them?

A Yes.

Q Did he tell you that they would pay it?

A I can't recall if he told me that.

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Q Did he say that he made any arrangements to have these particular bills by anybody other than in the campaign?

A I don't recall that either. He just asked that I bill.

Q What do you recall the conversation between Mr. Chestnut and yourself?

A As I recall the conversation, it was about the fact that it was early in the campaign and money was a little hard to get and that I ought to submit bills for AMPI for a couple of months of a fee basis.

Q And you did so, is that correct?

A Yes, I did.

Q And you stated your total billings for your services rendered by Lennen & Newell were in fact paid?

A That is correct.

Q Do you know a man by the name of Bob Lilly?

A No, I do not.

Q Have you ever met this man that you can recall?

A Not that I recall.

Q Sir, what was the total amount of the billings you submitted at Mr. Chestnut's direction to Lennen & Newell?

A $12,000.

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Q That would be two months of services?

A Two months of services at that time.

Q Who was the executive at Lennen & Newell whose responsibility it was to see that Lennen & Newell's invoices were paid in connection with the Humphrey campaign?

A I was.

Q Did you take steps to make sure they were paid throughout this campaign?

A Yes, I did.

Q Sir, would you explain to the jury how these bills were processed in your own company, that is, Lennen & Newell?

A We had an accounting department, of course. It could have happened a couple of ways.

Q As best you recall.

A As best I recall, I believe on these bills I called up the accounting department and had the accounting department issue the invoice as it appears.

Q Is that the end of it?

A Yes.

Q Do you recall at any time being asked by Mr. Chestnut to prepare duplicate invoices in connection with this billing to Associated Milk Producers, Inc.?

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A I do not recall that.

Q Sir, I showed you earlier Government's Exhibit 1 for identification which you identified as a $12,000 invoice for services rendered to the campaign and submitted to Associated Milk Producers, Inc.; is that correct?

A Yes.

Q Then I showed you four separate invoices marked Government's Exhibit 2 for identification which appears to be for the same thing.

A Yes.

Q Can you account for the double billing?

A I can't.

Q Were there any other occasions, during the period 1970 when Mr. Chestnut asked you to send bills to anyone other than a campaign committee or Associated Milk Producers, Inc.?

A No.

Q You worked on a number of campaigns you stated during the period 1968 through '72, is that correct?

A Yes.

Q Do you recall ever sending a bill or bills but for the Associated Milk Producers bills, to any organization whose name ended in the initials Inc. or "Corp."?

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A No.

Q Are you familiar with an organization known as TAPE?

A No.

Q You never heard of that?

A No.

MR. BANNIGAN: No further questions.

THE COURT: I don't know if you asked this witness if he knew whether all bills were paid.

MR. BANNIGAN: I believe he said they were all paid.

BY MR. BANNIGAN:

Q Did you receive payment on these bills?

A Yes.

THE COURT: Where?

THE WITNESS: At Lennen & Newell in Manhattan.

Q Do you recall personally seeing those bills, sir?

A No, I don't.

Q Where, sir, did Lennen & Newell do its banking, do you know?

A Bankers Trust Company, 48th and Madison Avenue.

Q Did you personally do the banking for Lennen &

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Newell?

A No, I did not.

Q I take it somebody in the accounting department did?

A Yes, that is correct.

Q Sir, if these bills that were submitted to Lennen & Newell had not been paid, would you have been advised of it in the regular course of business?

A Yes.

Q Were you so advised of it?

A No, I was not.

MR. BANNIGAN: No further questions.

THE COURT: All right, Mr. Thomson, you may inquire.

CROSS EXAMINATION

xxxx BY MR. THOMSON:

Q As I understand your testimony, the total amount of services that Lennen & Newell which was under Campaign Planners performed for the Humphrey Senatorial Campaign in 1970, 1972 was $72,000?

A That was our compensation on a fee basis. There were other charges.

Q These were your fee charges?

A That is correct.

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Q That is what your company received for fees, is that correct?

A Yes.

Q The other charges would be for advertising, television programming and that type of thing?

A Yes.

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Q And what was the total billing?

A I believe it came around $400,000 or thereabouts in the form of paid media; perhaps a little more.

Q Say around a half million?

A Half a million is a nice figure.

Q As far as the fees that you charged the campaign, the Humphrey campaign, as I understood it, you had communication with Mr. Chestnut and he would tell you who to bill, is that correct?

A Yes, that is correct.

Q He would tell you to bill certain committees, is that correct?

A At one or two times, yes, there were other committees involved.

Q And these were campaign committees, is that correct?

A Yes, that is correct.

Q You would at his direction or he would give you the name of a committee to bill and you would bill that committee?

A That is correct.

Q When he mentioned to you to send a bill -- you said the American Milk Producers?

A Yes.

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Q Did you take that to be a political fund?

A I assumed it was a political fund like, COPE, which I had been familiar with in 1968.

Q That was COPE?

A COPE.

Q C-O-P-E?

A Yes.

Q And COPE was a political arm of the AFL-CIO, is that correct?

A Yes.

Q You had sent bills to them, is that correct?

A Yes, a couple of times in '68.

Q So that when Mr. Chestnut told you to bill American Milk Producers you assumed he was talking about a political fund, is that correct?

A Yes.

Q And although you had no specific knowledge of TAPE, is that correct?

A No, I did not.

Q Was it true during the course of your conversation with Mr. Chestnut that you became aware that American Milk Producers had this political fund?

A I am sorry. I would like to hear the question again.

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Q Perhaps I confused you. I will start over.

As I understood it, there were occasions when you would have telephone conversations with Mr. Chestnut or personal conversations, is that correct?

A Yes.

Q Regarding who Campaign Planners was to bill for their monthly fee, is that correct?

A Yes.

Q On certain occasions he would give you the name of a committee, is that correct, a campaign committee to bill on several occasions?

A Not on the monthly fee. I billed other people bills having to do with the advertising or the buying of the media or something like that.

Q It would be submitted to various committees?

A That is correct.

Q When you had a conversation with him regarding American Milk Producers, was this on the telephone or in person or do you recall?

A I don't recall that. As I indicated, it happened, but I can't recall whether it was a meeting or, in fact, a phone conversation.

Q You also testified, Mr. Nova, it was your understanding when he told you to bill American Milk

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Producers you were talking about a bona fide legal political fund.

A That's what I said, yes.

Q Did you arrive at this assumption through your conversation with Mr. Chestnut?

A I can't recall if it was specifically mentioned, but I had some dealings with Jack and they were always very straight. So I assumed what was being done was quite proper.

Q And was being done through a legitimate political fund?

A Yes.

MR. BANNIGAN: Objection. I think he has answered the question more than once.

THE COURT: Overruled.

Q Could it have been, Mr. Nova, that when Mr. Chestnut had requested for two months billing that they be billed to American Milk Producers that you merely contacted your billing department and told them to do that?

A Yes, I did.

Q So where American Milk Producers was billed was probably decided by your billing department, is that correct?

A No. I had the address and I gave them the

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address.

Q You specifically recall that?

A Yes.

Q But you don't remember what the address was?

A No.

Q Do you know whether or not your billing department had any contact with American Milk Producers?

A No, I don't know, but I assume not or I would have heard.

Q Do you know who was running the billing department then?

A Yes.

Q Who was that?

A There was Gil Miller, our head accountant, there was Bob Miller, who was his assistant, there was a gentleman called Mike something or other whose name I can't recall who I believe handled our political compensation invoices.

Q You indicated that your company had billed third parties before like COPE, is that correct?

A Yes.

Q And when COPE was billed was this at your request?

A No, that was not at my request. When it happened

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in '68, it was at the request of the Democratic National Committee who told it to me and through me to my accounting department.

Q So they asked you to bill COPE and you called your billing department and they billed COPE?

A Yes.

Q The same thing when Mr. Chestnut asked you to bill American Milk Producers and you called your billing department and they billed American Milk Producers?

A Yes.

Q So the same procedure was employed, is that correct?

A That is correct.

Q Did you have a Minnesota office?

A No, we did not have a Minnesota office per se but there were a number of our people who were out there a lot.

Q And where did your people headquarter at that time?

A We did not headquarter anyplace unless the Sheraton Hotel can be called headquarters. That is where we stayed primarily. We held our meetings with Mr. Chestnut in his law offices.

Q Did he provide some office space to your

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employees in the law office?

A At times, yes.

Q So during the campaign, then, there was at least a desk set aside for Lennen & Newell personnel, is that correct?

A We could always use one, yes.

Q To pick up mail, make phone calls and things like that?

A Yes.

Q So if it was not headquarters you had a place to go to in his headquarters to pick up mail, make phone calls and functions like that?

A Yes.

Q During the course of business when you were working in Senator Humphrey's campaign in 1970 and you had personnel in Minnesota, I would imagine that correspondence and stuff that you would receive through the Chestnut office, that the secretaries would separate the mail and put it on that particular desk, is that correct, so you could pick up your mail?

A Yes.

Q And how long were you in Minnesota?

A We worked out there for a period of eight months, beginning of March, ending Election Day.

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Q Were you out there yourself personally?

A Yes, I was.

Q And to what extent were you there?

A All told, I assume I spent probably a month and a half, 42 days, out there.

Q And who else was out there from Lennen & Newell?

A Primarily Mr. Gerry Gross, who was our creative director, and the other gentleman who would have spent a good deal of time out there was Jim Forget, F-o-r-g-e-t, who was really out there only until the primary, which would mean that he would have been spending his time from March through the middle part of August but not thereafter.

Q At the time that Mr. Chestnut first requested that you make two monthly billings to American Milk Producers, at that time you assumed that that was a valid political organization, is that correct?

A That's right.

MR. THOMSON: I have no further questions, Mr. Nova. Thank you.

end t3a

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xx REDIRECT EXAMINATION

BY MR. BANNIGAN:

Q I take it that assumption was based on the fact you never thought Mr. Chestnut would do anything illegal, is that correct?

A That's correct.

Q But it was merely an assumption, is that correct?

A That's correct.

Q Sir, throughout counsel's cross examination of you, you referred to an organization called American Milk Producers, Inc.

What was the name of the organization that you were told to send the bills to?

A Associated Milk Producers, Inc.

Q And, sir, counsel referred to a desk or table or a headquarters that you may have had in Mr. Chestnut's office, do you recall that?

A Yes, I recall that.

Q Did you man that headquarters on any occasion?

A Did I man it?

Q Yes,

A No, but I was there a great deal. It should not be indicated that it in fact was a headquarters but we had

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the availability of secretaries and, yes, there were some desks available to us and we did hold all our meetings there and worked out of there as such.

Q You spent some time there, is that correct?

A Yes.

MR. BANNIGAN: I ask these two checks be marked next in order Government's Exhibits for identification.

xx (Government's Exhibits 3 and 4 marked for identification.)

Q You will recall Mr. Thomson asked you whether on occasions mail came in for Lennen & Newell or Campaign Planners through Minnesota and may have been placed on that desk used by you and people working with you, is that correct?

A Yes.

Q Sir, when you used that desk, did you ever see these two documents, two checks, marked Government's Exhibits 3 and 4 for identification?

A No, I don't think so.

MR. BANNIGAN: No further questions.

xx RECORSS EXAMINATION

BY MR. THOMSON:

Q I take it when you say you don't think so, at this time you can't recall?

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A I believe I saw those checks there.

Q And that's because five years has gone by?

A That may awfully well be, yes.

Q Now, apparently, as counsel pointed out, during my cross examination, I apparently misspoke and rather than referring to Associated Milk Producers, I was saying American Milk Producers, which was wrong.

Did you understand I meant Associated Milk Producers?

A Yes, I did.

Q Would your answers have been the same to me had I been using the right nomenclature?

A Yes, it would.

Q So I didn't confuse you?

A No, you did not.

MR. THOMSON: I have no further questions.

MR. BANNIGAN: No further questions of this witness, your Honor.

THE COURT: You are excused.

(Witness excused.)

MR. BANNIGAN: The Government calls -- may I approach the bench? It is quite important with this witness, your Honor.

THE COURT: Members of the jury, the lawyers come

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STATE OF MINNESOTA

COUNTY OF RAMSEY

JACK S. NORDBY, OF THE CITY OF ST. PAUL, COUNTY OF RAMSEY IN THE STATE OF MINNESOTA, BEING DULY SWORN, SAYS THAT ON THE 26th DAY OF AUGUST, 1975, HE SERVED TWO COPIES OF APPELLANT'S BRIEF AND ONE COPY OF THE APPENDIX IN THE CASE OF UNITED STATES V. CHESTNUT, DOCKET NO. 75-1268 UPON PAUL J. CURRAN, UNITED STATES ATTORNEY FOR THE SOUTHERN DISTRICT OF NEW YORK, BY MAILING TO HIM SAID COPIES, POSTAGE PREPAID AT MINNEAPOLIS, MINNESOTA, AND BY DEPOSITING SAME IN THE POST OFFICE AT MINNEAPOLIS, MINNESOTA, DIRECTED TO SAID ATTORNEY AT 1 ST. ANDREW'S PLAZA, NEW YORK, NEW YORK, 10007.

JACK S. NORDBY

SUBSCRIBED AND SWORN TO BEFORE ME

THIS 26th DAY OF AUGUST, 1975.

Marilyn Robertson

MARILYN ROBERTSON
NOTARY PUBLIC - MINNESOTA
Dakota COUNTY
My Comm Expires April 25 1979